



Congressman Jim Jordan (R-OH), RSC Chairman
Congressman Connie Mack (R-FL), RSC Repeal Task Force Chairman

Repeal the Dodd-Frank Wall Street Reform and Consumer Protection Act

July 20, 2011

Background: This month marks the one year anniversary of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Unfortunately, this is not an occasion for celebration. Rather, this birthday gives us an opportunity to examine the real impact of the law. The Dodd-Frank Act was supposed to mitigate the recession and create consumer confidence. It has done the opposite. Dodd-Frank constitutes the most sweeping financial regulatory overhaul since the great depression. On July 21, 2010, President Obama signed the legislation into law. Has it been a success? Has it helped restore market confidence? Has it provided consumer protection? The answer is a resounding no. Dodd-Frank was bad legislation when it began, and the implementation has been disastrous. From the Durbin interchange rule and derivative regulation to the implementation of the Consumer Financial Protection Bureau and Qualified Residential Mortgage rules, the roll-out of this legislation has been a massive roadblock to our economic recovery.

In January, Congresswoman Michelle Bachmann (R-MN) introduced H.R. 87, the repeal of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

The Case for Repeal:

- **Ignores Fannie/Freddie:** Dodd-Frank is over 2,200 pages long and still manages to ignore the worst actors, as it contains not a single word about the mismanaged, debt-ridden Fannie Mae and Freddie Mac. These government sponsored enterprises (GSEs) have already cost the taxpayers over 145 billion dollars. In 2008, the federal government took the GSEs into conservatorship in order to prevent their total collapse and stuck the taxpayer with the bill. With taxpayer backing, they continue to grow. At present, the GSEs are involved in 90% of all mortgages in the United States. It's no wonder the private sector is hesitant to expand into that unlevel playing field.
- **Creates Job-Killing Regulatory Burdens:** Dodd-Frank creates brand new agencies, and calls for 400 new regulatory mandates. It also requires scores of reports and studies. These new agencies, including the Financial Stability Oversight Council (FSOC) and the Consumer Financial Protection Bureau (CFPB), are given unprecedented oversight and control over financial institutions, including authority to call for asset liquidation, consolidation, and operational takeover. This type of governmental overreach is sure to discourage investment, and slow economic growth.

This legislation is supported by Club for Growth ([linked here](#)) and Americans for Prosperity ([linked here](#)).

MEMBER ACTION ITEM: RSC Members are encouraged to cosponsor H.R. 87, the Dodd-Frank Repeal Act. Please contact Chase Kroll at 5-2331 or Chase.Kroll@mail.house.gov to cosponsor this legislation.

If you would like to participate in the RSC Repeal Task Force, please contact Curtis.Rhyne@mail.house.gov.

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These Alerts highlight repeal initiatives of individual RSC members.

The RSC Repeal Task Force's mission is to put our nation onto a path of greater economic freedom by eliminating U.S. federal laws and regulations that impede or inhibit economic growth, prosperity, and opportunity.